

1 UNITED STATES SECURITIES AND EXCHANGE COMMISSION

EXHIBIT

149

21-cv-00260-PB

exhibitstickers.com

2
3 In the Matter of:)

4) File No. B-03221-A

5 LBRY)

6
7 WITNESS: Thomas Zarebczan

8 PAGES: 1 through 215

9 PLACE: 33 Arch Street

10 Boston, Massachusetts

11 DATE: Wednesday, July 10, 2019

12
13 The above-entitled matter came on for hearing,
14 pursuant to notice, at 9:42 a.m.

15
16
17
18
19
20
21
22
23
24 Diversified Reporting Services, Inc.

25 (202) 467-9200

1 at LBRY that the supply of LBC on Bittrex or
2 Poloniex was insufficient for users?

3 A I wouldn't -- I wouldn't know.

4 Q Did you have any concern that the supply
5 of LBC on Bittrex or Poloniex or ShapeShift was
6 insufficient for users?

7 A Can you rephrase the question again?

8 Q Sure. Did you have any concern that the
9 supply of LBC on available on Bittrex or Poloniex or
10 ShapeShift was insufficient for users?

11 A No. I think what I was going towards is
12 just having more options in terms of exchanges.

13 Q On the backside of Exhibit No. 75, you
14 have a Tweet -- and these are Tweets, right?

15 A Yes.

16 Q Which references an old blog post about
17 price. Is that price of LBC?

18 (Reviewing document.)

19 A Can I read through the --

20 Q Sure.

21 A -- page first?

22 Q Of course.

23 (Reviewing document.)

24 A Okay. I've read through it.

25 Q Sure. So I was -- you had referenced a

1 blog post and I think you actually link it here in

2 the Tweet. Is that what you did?

3 A Yeah.

4 Q And I'll hand you what had been previously

5 marked as Exhibit No. 51. Is Exhibit 51 a copy of

6 the blog post that you are referencing in

7 Exhibit 75?

8 (Reviewing document.)

9 A Looks like the titles match.

10 Q Have you read the blog post that is

11 Exhibit 51?

12 A I've read it at some point in the past.

13 Q In Exhibit 75, in your Tweet you said that

14 "it pretty much still holds true," is that correct?

15 Did I read that correctly?

16 (Reviewing document.)

17 A That's what I wrote, yes.

18 Q And with reference to Exhibit 51, what as

19 of April 2018 was not true, if anything? You said

20 "pretty much holds true." Is there something that

21 wasn't still true with respect to Exhibit 51?

22 A Do you mind if I read?

23 Q Of course. Take your time.

24 (Reviewing document.)

25 A Okay. I've read it. What was the

1 question again?

2 Q Sure.

3 A Oh, there's more. No, that's just the
4 biography.

5 Q So in your April 2018 Tweet you said that
6 the post titled "Acryptypical: The CEO of LBRY on
7 the price of LBC" pretty much still holds true.

8 Is there anything that you remember that
9 was not true as of April 2018 when that was written
10 in the post?

11 A Not that I recall, no.

12 Q Why did you pull this post out from
13 November 15, 2016, in April of 2018?

14 A I think there's even a point mentioned in
15 the article about it, so I think a lot of what
16 LBRY -- the culture that was built around LBRY and
17 how we -- how we conducted ourselves when it came
18 into regards around the price of LBRY, I thought
19 this was like a strong article and it was easy to
20 refer others to it when they would ask about the
21 price.

22 So I think there's one -- if you -- we
23 will not speculate about the price of LBC. If you
24 ask us, we'll probably link you here (as read).

25 Q And that you just wrote -- read from

1 Exhibit 51, is that right?

2 A Correct.

3 Q So looking back at Exhibit 75, the last
4 Tweet in sort of the string of Tweets you wrote,
5 Right now we still have very beta products but when
6 they're ready for more eyes, we'll be pushing harder
7 to get the word out (as read).

8 Also, what we are trying to achieve won't
9 happen overnight. It will take a slow/long culture
10 shift. Thanks for the support! (as read). What did
11 you mean about a slow/long cultural shift -- or
12 culture shift?

13 A Let me see what the previous messages
14 were.

15 (Reviewing document.)

16 A I was referring to the -- to the
17 statement he made about marketing and PR. We didn't
18 believe -- I think it's mentioned in the article as
19 well that any amount of marketing and PR would have
20 helped LBRY anyway at that -- that particular time.

21 Q The sentence begins, Also what we are
22 trying to achieve won't happen overnight (as read).
23 What is it that LBRY was trying to achieve that
24 wouldn't happen overnight?

25 A Creating -- creating this open protocol

1 (Reviewing document.)

2 THE WITNESS: Is this the page?

3 MR. SCHUMAN: Keep going.

4 (Reviewing document.)

5 MR. SCHUMAN: Anywhere you want to
6 finish up on that page.

7 THE WITNESS: Yeah.

8 Q All right. With respect to this exhibit,
9 there's a back-and-forth between yourself and
10 someone called the ghost in the Telegram thread. Do
11 you know who the ghost is?

12 A No.

13 Q All right. There is -- one of the
14 comments that is on one of the pages that begins
15 9 -- it's at 9:40 at the bottom. So the ghost,
16 If you are so arrogantly idealistic, why haven't
17 you done the fundraising in a conventional way?
18 (as read).

19 And then over the next couple pages of the
20 exhibit, there's a back-and-forth with the ghost and
21 then I'm going to flip over to this page here which
22 has at the top, it just says in reply to this
23 message, it's a little over a billion (as read).

24 And part of the way down you wrote
25 speculators. We literally told people not to buy

1 LBC (as read). When did LBRY tell people not to buy

2 LBC?

3 (Reviewing document.)

4 A I think what I was referencing was the
5 same exhibit we saw before.

6 Q Acryptical post by Jeremy Kauffman which
7 is Exhibit 51?

8 A Yeah.

9 Q And you understood that to mean LBRY was
10 telling people not to buy LBC?

11 A I think there might have been one -- if I
12 remember correctly, that's one of the things I
13 remember. It's in the back of my mind.

14 MR. SCHUMAN: Do you mean people or
15 speculators?

16 MR. MOORES: Well, it says we
17 literally told people, people not to buy LBC
18 (as read).

19 Q The next line says, Sorry about the tone.
20 It's just tiring to defend the price all the time
21 (as read).

22 "Defend the price," do you know what
23 that means?

24 Or what did you mean by that? Sorry.

25 A Just people coming in and complaining

1 about the price.

2 Q Of LBC?

3 A Yeah. That they're looking at, yeah.

4 Q You write later on, that's all people care
5 about. Is that accurate?

6 MR. SCHUMAN: I'm sorry. I know
7 you're rushing because of the time, but it says when
8 we have no control over and when -- it's when that's
9 all people cared about (as read).

10 A I was referring to these people who are
11 complaining about the price.

12 Q That's all they care about?

13 A That's what they're complaining about. A
14 lot of times that's how --

15 (SEC Exhibit No. 93 was marked
16 for identification.)

17 Q Tom, I'd like to jump to Exhibit No. 93,
18 which is a Reddit thread, two pages. It is posted
19 on March 19th, 2019. It is entitled How is content
20 hosted? (as read).

21 Do you see that?

22 A Mh-hmm.

23 Q And --

24 A Can I read through that?

25 Q Sure. And I'll have a question just as to